

REVISED

# ITEL

April 29, 1987

## Itel Rail Corporation

55 Francisco Street  
San Francisco, California 94133  
(415) 984-4000

RECORDATION NO. 15063-10 Filed & Recorded

MAY 5 1987 11-50 AM

INTERSTATE COMMERCE COMMISSION

Hon. Noreta R. McGee  
Secretary  
Interstate Commerce Commission  
Washington, DC 20423

**Re: Amendment No. 2, dated as of April 24, 1987, to the Security Agreement between  
Itel Rail Corporation and Heller Financial, Inc.**

Dear Mrs. McGee:

On behalf of Itel Rail Corporation, the above instrument, in seven (7) counterparts, is hereby submitted for filing and recordation pursuant to USC §11303(a), along with a check in the amount of \$10 covering the recordation fee.

Please record this Amendment under the Security Agreement dated September 30, 1986, between Itel Rail Corporation and Heller Financial, Inc., which was filed with the ICC on October 7, 1986, and given Recordation No. 15063.

The parties to the aforementioned instrument are listed below:

Itel Rail Corporation (Borrower)  
55 Francisco Street  
San Francisco, California 94133

Heller Financial, Inc. (Lender)  
200 North LaSalle Street  
Chicago, Illinois 60601

The equipment covered by this Amendment is fifty-nine (59) boxcars as set forth in Schedule A attached thereto.

Please return to the undersigned the stamped counterparts not required for filing purposes, together with the fee receipt and a letter from the ICC acknowledging this filing.

Very truly yours,

*Patricia Schumacker*

Patricia Schumacker  
Legal Department

:ps

Interstate Commerce Commission  
Washington, D.C. 20423

5/5/87

OFFICE OF THE SECRETARY

Patricia Schumacker  
Legal Department  
Itel Rail Corp.  
55 Francisco St.  
San Francisco, Calif. 94133

Dear Sir:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 5/5/87 at 11:50am, and assigned re-recording number(s). 15063-A & 15064-A

Sincerely yours,

*Noreta R. McGee*  
Secretary

Enclosure(s)

SE-30  
(7/79)

RECORDATION NO. 15063 C  
MAY 5 1987 11-50 AM  
INTERSTATE COMMERCE COMMISSION

**AMENDMENT NO. 2  
DATED AS OF APRIL 24, 1987,  
TO THE SECURITY AGREEMENT  
BETWEEN ITEL RAIL CORPORATION ("BORROWER")  
AND HELLER FINANCIAL, INC. ("LENDER")**

WHEREAS, Borrower and Lender are parties to a Loan and Security Agreement (the "Loan") dated as of September 30, 1986, as amended; and

WHEREAS, pursuant to Subsection 5.1 of the Loan, Borrower granted Lender a security interest in various Collateral (as defined in the Loan), including certain after-acquired property;

WHEREAS, in furtherance of the Loan, Borrower and Lender have entered into a Security Agreement, as amended (the "Security Agreement"), dated as of September 30, 1986, which was filed and recorded with the Interstate Commerce Commission pursuant to 49 U.S.C. Section 11303(a) on October 7, 1986, and given Recordation No. 15063; and

WHEREAS, Subsection 8.1(iv) of the Loan provides that Borrower may acquire certain assets and may grant a purchase money lien or similar lien to the party financing the purchase of such assets so long as certain conditions stated in Subsection 8.1(iv) are met, and Subsection 5.4 of the Loan requires Lender to execute and file all necessary or appropriate instruments to remove any liens in favor of Lender with respect to such assets, provided such conditions are met; and

WHEREAS, Borrower will be entering into: a) a boxcar purchase agreement (the "Boxcar Purchase Agreement") with the Atchison, Topeka and Santa Fe Railway Company ("Santa Fe") for the purchase of fifty-nine (59) boxcars (the "Boxcars"); b) a rebuilding agreement (the "Rebuilding Agreement") with Evans Transportation Company for the rebuilding of the Boxcars; c) a secured note, security agreement (the "CIS Security Agreement") and purchase agreement with CIS Corporation ("CIS") (together, the "CIS Agreements") pursuant to which CIS will lend Borrower the money required to purchase

the Boxcars from Santa Fe and will purchase such Boxcars from Borrower as and when rebuilt, and pursuant to the CIS Security Agreement Borrower will be granting CIS a security interest in the Boxcars, the Boxcar Purchase Agreement and the Rebuilding Agreement; and

WHEREAS, Borrower and Lender wish to amend the Security Agreement to make clear that Lender has no security interest thereunder with respect to the Boxcars or any appurtenances or accessions related to the Boxcars.

NOW, THEREFORE, pursuant to the premises and the covenants and promises contained in the Security Agreement, the parties agree as follows:

1. All capitalized terms used herein shall have the meanings assigned to them in the Security Agreement, unless otherwise stated.
2. Lender hereby fully, completely and irrevocably releases any security interest it has or might have in the Boxcars listed on Exhibit A attached hereto (including any appurtenances, accessions, Accounts or General Intangibles related thereto).
3. Borrower hereby warrants, represents and covenants that the transactions set forth in the fourth recital paragraph above meet, and when consummated will meet, the conditions set forth in Subsection 8.1(iv) of the Loan.
4. Except as expressly modified hereby, the Security Agreement remains in full force and effect.

**HELLER FINANCIAL, INC.**

By Allen G. Palmer  
Title Asst Vice Pres  
Date 4/24/87

**ITEL RAIL CORPORATION**

By Howard S. Cohen  
Title Pres & Asst Secy  
Date 4/22/87

EXHIBIT A

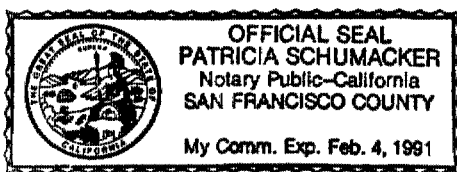
IDENTIFICATION OF BOXCARS

<u>Reporting Mark of Boxcar</u>	<u>Description</u>
ATSF625000 ATSF625038	100-ton, specially equipped, insulated, shock
625001 625041	control, load divider, plate C boxcars
625002 625042	
625004 625044	
625005 625045	
625007 625046	
625008 625047	
625009 625048	
625010 625049	
625011 625050	
625012 625051	
625013 625052	
625014 625053	
625016 625054	
625018 625055	
625019 625056	
625020 625057	
625022 625058	
625023 625059	
625024 625060	
625026 625061	
625027 625062	
625028 625063	
625029 625064	
625030 625065	
625032 625066	
625033 625067	
625034 625068	
625035 625069	
625037	

STATE OF CALIFORNIA )  
 )  
COUNTY OF SAN FRANCISCO )

ss.

On the 22nd day of April, 1987, before me personally came Howard L. Chabner to me known, who, being by me duly sworn, did depose and say that he is the Counsel and Assistant Secretary of Itel Rail Corporation, one of the parties described in and which executed the above instrument; that the execution of the above instrument was duly authorized by the board of directors of Itel Rail Corporation; and that he signed his name thereto pursuant to like authority.

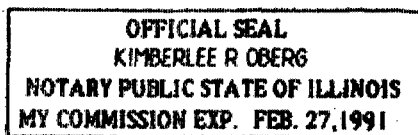


Patricia Schumacker  
Notary Public

STATE OF ILLINOIS )  
 )  
COUNTY OF COOK )

ss.

On the 24th day of APRIL, 1989 before me personally came COLLEEN A. PALMER to me known, who, being by me duly sworn, did depose and say that he is the ASSISTANT VICE PRESIDENT of HELLER FINANCIAL, INC., one of the parties described in and which executed the above instrument; that the execution of the above instrument was duly authorized by the board of directors of HELLER FINANCIAL, INC.; and that <sup>her</sup>he signed ~~his~~ name thereto pursuant to like authority.



Kimberlee R. Oberg  
Notary Public